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June 1, 2001

Honorable Philip N. Asprodites  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 94275  
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION  
BSL SMK RA SUA  
SMK C RC SUJ  
Haynesville Field  
Claiborne Parish, Louisiana  
Our File No. 340029.0254

Dear Sir:

On behalf of MARATHON OIL COMPANY, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Basal Smackover Zone, Reservoir A, and the Smackover C Zone, Reservoir C, in the Haynesville Field, Claiborne Parish, Louisiana:

1. To establish rules and regulations and create a single (1) drilling and production unit (to be designated as BSL SMK RA SUA) for the Basal Smackover Zone, Reservoir A, in the Haynesville Field, Claiborne Parish, Louisiana, as shown on the plat attached hereto.
2. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said unit, with allocation of production from each unit well to the tracts within the unit therefor to be on the basis of surface acreage.
3. To designate Marathon Oil Company as the operator of BSL SMK RA SUA to be created hereby.

Commissioner of Conservation

June 1, 2001

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4. To designate the Marathon Oil Company - G.W. Taylor Heirs 15 No. 2 Well as the unit well for the proposed BSL SMK RA SUA.
5. To authorize applicant to commingle downhole the production from BSL SMK RA SUA and SMK C RC SUJ in the Marathon Oil Company -G.W. Taylor Heirs 15 No. 2 Well or in any other well drilled on said units.
6. To consider such other matters as may be pertinent.

The Basal Smackover Zone, Reservoir A, in the Haynesville Field, Claiborne Parish, Louisiana, is hereby defined as that volatile oil and/or gas and condensate bearing zone encountered between depths 11,285 feet and 11,408 feet(electric log measurements) in the Marathon Oil Company - G. W. Taylor Heirs 15 No. 2 Well located in Section 15, Township 23 North, Range 8 West.

The Smackover C Zone, Reservoir C, in the Haynesville Field, Claiborne Parish, Louisiana, was fully defined in Office of Conservation Order No. 35-N-2, effective February 24, 1988.

Pertinent data concerning the intended application will be made available for inspection at the offices of Marathon Oil Company, 909 E. SE Loop 323, Suite 500, Tyler, Texas 75701. Any person wishing to inspect such data should call Mr. Rich Henderson at (903) 509-5544 during normal business hours or write Mr. Henderson at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated May 4, 2001, applicant advised the Commissioner of Conservation, the Division Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a conference, and accordingly, no conference will be held.

A check in the amount of \$1,400.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

Commissioner of Conservation

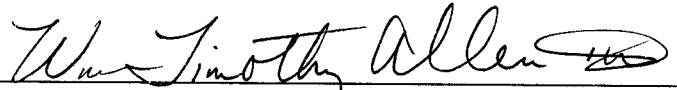
June 1, 2001

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This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 

Wm. Timothy Allen III

Attorneys for Marathon Oil Company

WTAIII:bp

Enclosures

cc: Mr. James C. Broussard, District Manager  
Office of Conservation, Shreveport, La. (w/enclosures)

cc: Interested Owners, Represented Parties  
and Interested Parties (w/copy of plat only)

9

11

23N 8W

16

14

21

23

T.W. SHERMAN HEIRS

H.P. CAMP HEIRS

H.P. CAMP  
HEIRS

G.W. TAYLOR

MARATHON OIL  
HUNT ST EST;  
SMK C RC SUB 1

11700

MARATHON OIL  
SHERMAN TW 15;  
HA RC SUB 3-ALT

1200

MARATHON OIL  
SHERMAN TW HEIRS 15;  
SMK C RC SUA 2

11700

MARATHON OIL  
TW SHERMAN HEIRS 15;  
SMK B RD SUB 1

11760

H.P. CAMP HEIRS

A. TAYLOR  
HEIRS

ANNA TAYLOR ESTATE

S.T. HUNT ESTATE

T.W. SHERMAN HEIRS

MARATHON OIL  
GOODWIN 16 1

11710

J.H. GOODWIN

J. GOODWIN

MARATHON OIL  
GOODWIN 15 1

11777

379.31'

2310'

2310'

GW TAYLOR HEIRS 15#2  
BSL SMK RA SUA  
SEC. 15- T23N - R8W

R.P. BOND, et al

J.G. TALLEY

G.W. TAYLOR ESTATE

G.W. TAYLOR  
ESTATE

J.T. WALLER

R.P. BOND

W.F. BOND

C. BEENE

J.L. BOND

KENNEDY

22

MILNER

G.A. HILBURN

S.R. PARKER



PROPOSED UNIT WELL

PROPOSED BASAL SMK RA UNIT  
(320 ACS ±)MARATHON OIL COMPANY  
SOUTHERN BUSINESS UNITHAYNESVILLE FIELD  
CLAIBORNE PARISH, LOUISIANA

BASAL SMACKOVER UNIT

EXHIBIT NO.:  
DOCKET NO.:

DATE: